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**BROOKLYN-BASED ELECTRICAL CONTRACTOR**  
**TO PAY MORE THAN \$1 MILLION IN BACK WAGES TO CHEATED EMPLOYEES**

*Admits Failing To Pay 10 Employees Prevailing Wages On City Projects*

Queens District Attorney Richard A. Brown and New York City Comptroller William C. Thompson, Jr., today announced that electrical contractor Arie Bar and his Brooklyn-based electrical company, AAR/Co Electrical, Inc., have pleaded guilty to defrauding 10 employees out of more than \$1 million by failing to pay them the mandatory prevailing wages on six public works projects for the City of New York – including Columbus Library, Fort Greene Park, the Charles Gay Keener Building on Wards Island, the Wards Island water treatment plant, Queens Hospital Center and the Queens Botanical Gardens. The contractor will pay the employees amounts ranging from \$1,683 to as much as \$199,810, which will be distributed by Comptroller Thompson.

District Attorney Brown said, “Firms doing business with the City of New York are obligated to pay their workers legally prevailing wages, which includes salary and supplemental benefits. Prevailing wages are established by the New York City Comptroller’s Office to reflect the predominant rate of wages and benefits for workers in each of the construction trades.”

The District Attorney added, “The failure to pay prevailing wages is a prevalent problem all over New York and in Queens, in particular, due to our large immigrant population. Many immigrant workers who come to the United States with skills, like electrical work, are forced to work for private contractors for far below prevailing rates. In this particular case, the defendants are accused of paying the workers at rates of \$20 to \$30 less per hour than the prevailing wages and no benefits. The end result is that the workers are put in the difficult position of complaining and losing their jobs or staying silent and being taken advantage of. This guilty plea and penalty should serve as a warning to those who would cheat employees out of fair wages that this behavior will not be tolerated and will be prosecuted.”

Comptroller Thompson said, “Unscrupulous contractors cannot break the law by cheating workers out of their rightful wages, and cases like this show that we are vigilant in uncovering such conduct and that they will get caught and have to pay the consequences for their criminal conduct. On behalf of all of the workers who will receive more than \$1 million owed to them in back wages, I thank the Queens District Attorney’s Office and my Bureau of Labor Law for their efforts on this case.”

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The District Attorney identified the defendants as Arie Bar, 57, of 26 Barrett Road in Lawrence, Long Island, and AAR/Co Electrical, Inc., of 5902 Avenue N in Brooklyn. The corporation pleaded guilty on Friday before Queens Supreme Court Justice James Griffin to six counts of second-degree grand larceny, two counts of third-degree grand larceny, 63 counts of first-degree falsifying business records, 63 counts of first-degree offering a false instrument for filing, 228 counts of making a punishable false statement, and 29 counts of failure to pay prevailing wages. Bar pleaded guilty at the same proceeding to one count of failure to pay prevailing wages. In addition to making restitution of \$1,019,553, Bar and the corporation are not eligible to submit a bid on or be rewarded any public work contract or subcontract with the state, any municipal corporation or public body for a period of five years.

Comptroller Thompson began a prevailing wage investigation based on a referral from the New York City Department of Design and Construction, alleging that electricians working for AAR/Co on a City works project at the Queens Botanical Garden were not being paid the prevailing wage. The Comptroller's office expanded the investigations to all AAR/Co projects for the period of April 2004 through August 2007. The audit uncovered that Bar had falsely certified payrolls for the 10 workers at various City work sites, falsely claiming that the workers were each being paid \$73 per hour (wages and benefits) as required under Section 220(3) of the Labor Law when, in fact, they were being underpaid. As a result Bar kept monies that were required to be paid to the workers.

Comptroller Thompson brought the case to District Attorney Brown for prosecution in 2007 after learning that Bar threatened and fired workers who had filed labor law complaints.

The investigation was initially conducted by Department of Design and Construction Investigator Theresa Salcedo and then by staff assigned to the Comptroller's Bureau of Labor Law – in particular Michelle Centeno, Director of Outreach and Counsel Constantine Kokkoris, Esq. It was further investigated by Detective Investigator Richard A. Lewis of the District Attorney's Detective Bureau under the supervision of Sergeant John W. Kenna and Lieutenant Robert J. Burke and James Dever, Supervising Forensic Accountant of the District Attorney's Economic Crimes Bureau.

The case was prosecuted by Assistant District Attorney Jonathan D. Scharf, of the District Attorney's Economic Crimes Bureau, under the supervision of Assistant District Attorneys Gregory C. Pavlides, Bureau Chief, and Christina Hanophy, Deputy Bureau Chief, and the overall supervision of Executive District Attorney for Investigations Peter A. Crusco and Deputy Executive Assistant District Attorney for Investigations Linda M. Cantoni.

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**Note to Editors: Press release e-version posted at [www.queensda.org](http://www.queensda.org).**